

**Senate File 2193 - Introduced**

SENATE FILE 2193

BY SCHULTZ

**A BILL FOR**

1 An Act relating to the handling fees for beverage containers.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 455C.2, subsection 2, Code 2018, is  
2 amended to read as follows:

3 2. In addition to the refund value provided in subsection  
4 1 of [this section](#), a dealer, ~~or~~ person operating a redemption  
5 center who redeems empty beverage containers, or a dealer agent  
6 shall be reimbursed by the distributor required to accept the  
7 empty beverage containers an amount which is ~~one-cent~~ two cents  
8 per container. A dealer, dealer agent, or person operating a  
9 redemption center may compact empty metal beverage containers  
10 with the approval of the distributor required to accept the  
11 containers.

12 Sec. 2. Section 455C.3, subsection 1, Code 2018, is amended  
13 by striking the subsection and inserting in lieu thereof the  
14 following:

15 1. If a dealer chooses to accept empty beverage containers,  
16 the dealer must pay the refund value as provided in section  
17 455C.2.

18 Sec. 3. Section 455C.3, subsection 2, Code 2018, is amended  
19 to read as follows:

20 2. A distributor shall accept and pick up from a dealer  
21 served by the distributor or a redemption center for a  
22 dealer served by the distributor at least weekly, or when the  
23 distributor delivers the beverage product if deliveries are  
24 less frequent than weekly, any empty beverage container of the  
25 kind, size and brand sold by the distributor, and shall pay to  
26 the dealer or person operating a redemption center the refund  
27 value of a beverage container and the reimbursement as provided  
28 under [section 455C.2](#) within one week following pickup of the  
29 containers or when the dealer or redemption center normally  
30 pays the distributor for the deposit on beverage products  
31 purchased from the distributor if less frequent than weekly.  
32 Upon delivery to a dealer, a dealer must pay the refund  
33 value and a handling fee of one cent per beverage container  
34 to the distributor. A distributor or employee or agent of  
35 a distributor is not in violation of [this subsection](#) if a

1 redemption center is closed when the distributor attempts to  
2 make a regular delivery or a regular pickup of empty beverage  
3 containers. This subsection does not apply to a distributor  
4 selling alcoholic liquor to the alcoholic beverages division  
5 of the department of commerce.

6 EXPLANATION

7 The inclusion of this explanation does not constitute agreement with  
8 the explanation's substance by the members of the general assembly.

9 This bill relates to handling fees between beverage  
10 distributors and dealers, dealer agents, and independent  
11 redemption centers.

12 Currently, a dealer must accept any empty beverage container  
13 of the kind, size, and brand sold by the dealer and pay to  
14 the consumer the full refund value. A distributor collects  
15 beverage containers from a dealer, dealer agent, or independent  
16 redemption center, at which time the distributor pays the  
17 dealer, dealer agent, or independent redemption center 5 cents  
18 per eligible container plus a handling fee of an additional 1  
19 cent per empty container.

20 The bill affects the handling fees between distributors and  
21 dealers, dealer agents, and independent redemption centers.  
22 When a distributor sells beverages to a dealer, the dealer  
23 will pay to the distributor a 1-cent handling fee per beverage  
24 container in addition to the current deposit. A consumer  
25 will still pay a 5-cent deposit per beverage container. A  
26 dealer may choose whether to accept a beverage container from  
27 a consumer, even if the beverage container is of the kind,  
28 size, and brand sold by the dealer, but must pay the consumer  
29 the refund value if the dealer chooses to accept the beverage  
30 container. When a distributor collects beverage containers  
31 from a dealer, dealer agent, or independent redemption center,  
32 the dealer, dealer agent, or independent redemption center will  
33 charge the distributor a handling fee of 2 cents per beverage  
34 container.